

28<sup>th</sup> December 2012

General Manager  
 The Company Announcements Office  
 Australian Securities Exchange

## **HEADS OF AGREEMENT COVERING ARCHER'S WEST ROXBY TENEMENTS**

### **Highlights**

- **Heads of Agreement signed between Archer Exploration Limited and BHP Billiton Olympic Dam Corporation Pty Ltd ("ODC") covering Archer's five West Roxby tenements.**
- **Key terms of these Heads of Agreement are:**
  - **ODC to acquire an 80% legal and beneficial interest in the five Tenements for \$3 million.**
  - **ODC to spend \$3 million on Exploration over a period of 3 years.**
  - **ODC will sole fund the Project to a maximum of \$50 million to a Decision to Mine.**
  - **Archer and ODC agree to establish a Joint Venture to carry on the Project with ODC as Manager.**
  - **Archer has the right to sell its participating interest at any stage before and on the Decision to Mine.**
  - **Pre-emptive rights apply.**
  - **Exclusivity has been agreed until 30 April 2012.**
- **These Heads of Agreement contemplates the finalisation of a Sale and Purchase Agreement and a Joint Venture Agreement prior to 30 April 2012.**
- **The Sale and Purchase Agreement will be subject to Ministerial consent.**
- **The Sale and Purchase and Joint Venture Agreements are conditional on ODC conducting further non-geological Due Diligence.**

---

Archer Exploration Limited is pleased to announce that a Heads of Agreement between Archer Exploration Limited ("Archer") and BHP Billiton Olympic Dam Corporation Pty Ltd ("ODC") covering the sale of an 80% legal and beneficial interest in Archer's five West Roxby tenements was signed on 23<sup>rd</sup> December 2011.

The Tenements host a number of undrilled exploration targets including potential IOCG targets at Island Lagoon and Evelyn Dam, a potential Athabasca unconformity uranium target at Apollo and several skarn targets (Figure 1).

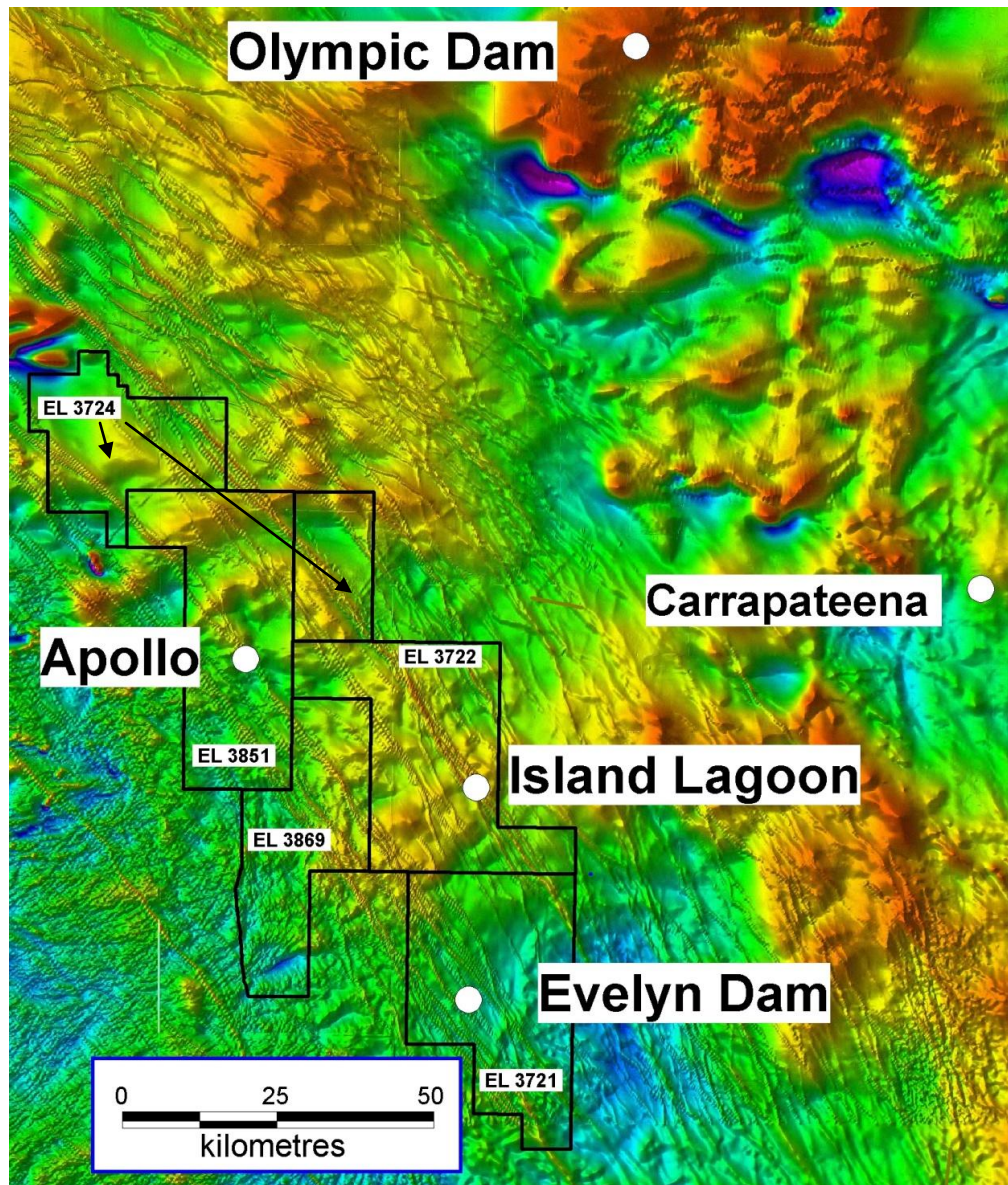


Figure 1. Magnetic image showing Archer's West Roxby Tenements in relation to major IOCG deposits.

For further information please contact:

Mr Greg English  
Chairman  
Archer Exploration Limited  
Tel: (08) 8272 3288

Mr Gerard Anderson  
Managing Director  
Archer Exploration Limited  
Tel: (08) 8272 3288

*The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr. Wade Bollenhagen, Exploration Manager of Archer Exploration Limited. Mr. Bollenhagen is a Member of the Australasian Institute of Mining and Metallurgy who has more than sixteen years experience in the field of activity being reported. Mr. Bollenhagen consents to the inclusion in the report of matters based on his information in the form and context in which it appears.*